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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/818,400	03/27/2001	Trevor Robert MacLean	24349.00	2793

7590

06/13/2005

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EXAMINER

LASTRA, DANIEL

ART UNIT

PAPER NUMBER

3622

DATE MAILED: 06/13/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/818,400

Applicant(s)

MACLEAN ET AL.

Examiner

DANIEL LASTRA

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 25 March 2005.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-4, 13 and 14 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-4, 13 and 14 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date _____
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: _____

DETAILED ACTION

1. Claims 1-4 and 13-14 have been examined. Application 09/818,400 (APPARATUS AND METHOD OF FACILITATING THE EXCHANGE OF POINTS BETWEEN SELECTED ENTITIES) has a filing date 03/27/2001.

Response to Amendment

2. In response to Requirement for Restriction/Election filed 07/28/2004, the Applicant elected on 03/25/2005 claims 1-4 and 13-14 for prosecution. Applicant's amendment did overcome the Section 101 and 112 rejection.

Claim Objections

3. The Applicant elected to prosecute claims 1-4 and 13-14, however, did not mark claims 5-12 and 15-20 as withdrawn. For purpose of art rejection, claims 5-12 and 15-20 are considered withdrawn from prosecution.

Information Disclosure Statement

4. The information disclosure statement filed 07/28/04 and 11/17/01 fail to comply with the provisions of 37 CFR 1.97, 1.98 and MPEP § 609 because said IDS need to be submitted in a PTO-1449 form. It has been placed in the application file, but the information referred to therein has not been considered as to the merits. Applicant is advised that the date of any re-submission of any item of information contained in this information disclosure statement or the submission of any missing element(s) will be the date of submission for purposes of determining compliance with the requirements based on the time of filing the statement, including all certification requirements for statements under 37 CFR 1.97(e). See MPEP § 609 ¶ C(1).

Claim Rejections - 35 USC § 101

5. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 1-4 and 13-14 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

The basis of this rejection is set forth in a two-prong test of: (1) whether the invention is within the technological arts; and (2) whether the invention produces a useful, concrete, and tangible result.

For a claimed invention to be statutory, the claimed invention must be within the technological arts. Mere ideas in the abstract (i.e., abstract idea, law of nature, natural phenomena) that do not apply, involve, use, or advance the technological arts fail to promote the "progress of science and the useful arts" (i.e., the physical sciences as opposed to social sciences, for example) and therefore are found to be non-statutory subject matter. For a process claim to pass muster, the recited process must somehow apply, involve, use, or advance the technological arts.

In the present case, the instant claims fail to recite the use of any type of technology (e.g. computer system) within the recited steps of exchanging points

Mere intended or nominal use of a component, albeit within the technological arts, does not confer statutory subject matter to an otherwise abstract idea if the component does not apply, involve, use, or advance the underlying process.

Additionally, for a claimed invention to be statutory, the claimed invention must produce a useful, concrete, and tangible result.

Although the claimed invention produces a useful, concrete and tangible result, since the claimed invention as a whole is not within the technological arts, as explained above, claims 1-4 and 13-14 are deemed to be directed to non-statutory subject matter. The Applicant needs to include computer implementation in the preamble and in the embodiment of the claims.

Claim Rejections - 35 USC § 112

6. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Claims 1-4 and 13-14 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. Regarding claims 1-4 and 13-14, the phrase "permitting" and "facilitating" renders the claim(s) indefinite because the claim(s) refer to the potential of the action and leaves in doubt whether the action is encompassed.

Claim Rejections - 35 USC § 102

7. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in a patent granted on an application for patent by another filed in the United States before the invention thereof by the applicant for patent, or on an international application by another who has fulfilled the

requirements of paragraphs (1), (2), and (4) of section 371(c) of this title before the invention thereof by the applicant for patent.

The changes made to 35 U.S.C. 102(e) by the American Inventors Protection Act of 1999 (AIPA) and the Intellectual Property and High Technology Technical Amendments Act of 2002 do not apply when the reference is a U.S. patent resulting directly or indirectly from an international application filed before November 29, 2000. Therefore, the prior art date of the reference is determined under 35 U.S.C. 102(e) prior to the amendment by the AIPA (pre-AIPA 35 U.S.C. 102(e)).

Claims 1-4 and 13-14 are rejected under 35 U.S.C. 102(e) as being anticipated by Postrel (U.S. 6,594,640).

As per claim 1, Postrel teaches:

A method of exchanging first points held by a customer for second points, the first points that are issued by a first point issuer differing from the second points that are issued by a second point issuer, said point exchange method *is implemented by a computer programmed to effect the following* steps of:

(a) permitting the customer to set a first number of first points to be exchanged (see column 4, lines 3-45);

(b) permitting the first and second point issuers to set the point withdrawal and deposit rates of their first and second points respectively (see column 4, lines 3-45; column 3, lines 35-45; column 5, lines 35-40; column 6, lines 37-47);

(c) determining an equivalent number of the second points based upon the point withdrawal and deposit rates of the first and second point issuers respectively, and

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the first number of the first points (see column 4, lines 3-45; column 3, lines 35-45; column 5, lines 35-40; column 6, lines 37-47; column 7, lines 35-40; column 7, lines 63-67); and

(d) exchanging the first number of first points for a second equivalent number of second points (see column 4, lines 3-45; column 3, lines 35-45; column 5, lines 35-40; column 6, lines 37-47; column 10-12; column 15-20).

As per claim 2, Postrel teaches:

The method of point exchanging as claimed in claim 1, wherein said step c) of determining an equivalent number of the second points comprises the substeps of:

(i) determining the monetary value of the first number of first points as the product of the first number of first points and the point withdrawal rate of the first point sponsor (see column 9, lines 10-15; column 10, lines 15-20); and

(ii) determining the equivalent number of the second points as the quotient of the monetary value of the first number of first points divided by the point depositing rate of the second point sponsor (see column 9, lines 10-15; column 10, lines 15-30).

As per claim 3, Postrel teaches:

A system for exchanging first points held by a customer for second points, the first points issued by a first point issuer differing from the second points that are issued by a second point issuer, said point exchange system comprising:

(a) a first terminal having a first terminal database for storing an account of the customer's first points (see figures 4 and 5);

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(b) a second terminal having a second central database memory for storing an account of the customer's second points (see figures 4 and 5); and

(c) a transaction center having a center input and a central computer programmed to:

(i) permit the customer to set via said center input a first number of first points to be exchanged (see figure 4, item 20);

(ii) permitting the first and second point issuers to set the point withdrawal and deposit rates of their first and second points respectively (see column 3, lines 35-55; column 6, lines 37-67; column 7, lines 37-40; column 9, lines 10-12; column 10, lines 15-20);

(iii) determining an equivalent number of the second points based upon the point withdrawal and deposit rates of the first and second point issuers respectively, and the first number of the first points (see column 3, lines 35-55; column 6, lines 37-67; column 7, lines 37-40; column 9, lines 10-12; column 10, lines 15-20);; and

(iv) providing respectively to said first and second terminals a first transaction message to withdraw the first number of first points from said first terminal database and to deposit the equivalent number of second points in said second terminal database (see column 3, lines 35-55; column 6, lines 37-67; column 7, lines 37-40; column 9, lines 10-12; column 10, lines 15-20);.

As per claim 4, Postrel teaches:

The program managing system as claimed in claim 3, wherein said transaction center further responds to a customer's order to convert the first number of first points

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into an equivalent second number of second points and to deposit the second number of second points in said second database of said second terminal (see column 3, lines 35-55; column 6, lines 37-67; column 7, lines 37-40; column 9, lines 10-12; column 10, lines 15-20).

As per claim 13, Postrel teaches:

A method of exchanging first points that are issued by a first point issuer for second, different points that are issued by a second point issuer at exchange rates set by the first and second point issuers respectively, said points exchanging method *is implemented by a computer programmed to effect the following steps of*

(a) facilitating the entry of first and second exchange rates by the first and second point issuers respectively (see column 3, line 35 – column 4, line 45; column 6, lines 35-67; column 10, lines 15-20);

(b) facilitating the entry of a customer's order for exchanging first points for second points (see column 3, line 35 – column 4, line 45; column 6, lines 35-67; column 10, lines 15-20);

(c) determining the presence or absence of each of the first and second exchange rates (see column 4, lines 1-45); and

(d) blocking the exchange of points in the absence of either of the first or second exchange rates (see column 4, lines 1-45).

As per claim 14, Postrel teaches:

A system for facilitating the exchange of points from or to a selected one of a plurality of point programs at exchange rates set by the proprietor of the selected one point program, said system comprising:

(a) at least one terminal associated with the selected one point program and comprising a terminal input, a terminal database and a terminal server programmed to:

(i) respond to a customer command to withdraw from and/or deposit points into said terminal (see column 6, lines 1-52),

(ii) facilitate the entry by the point program proprietor and storage in said terminal database of exchange rates for the points of the selected one loyalty program (see column 6, lines 1-52); and

(iii) detect the absence of the exchange rates for the selected one point program to transmit a blocking signal (see column 4, lines 1-45); and

(b) a transaction center coupled by a data transmission path to said one terminal and comprising a center input and a center server programmed to:

(i) respond to customer input on said center input for transmitting via the data transmission path to said one terminal the command whereby points are withdrawn and/or deposited into the point program associated with said one terminal (see column 6, lines 1-55); and

(ii) respond to the blocking signal to prevent the transmission of the command (see column 4, lines 1-45).

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Response to Arguments

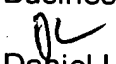
8. Applicant's arguments filed 03/25/2005 have been fully considered but they are not persuasive. The Applicant argues that "permitting" and "facilitating" means that a present action is being carried out or effected. The Examiner answers that the definition of "permitting" and "facilitating" is to "make it easier or less difficult or to allow to do something". Therefore, in "facilitating" and "permitting" an action is allowed or made easier but said action is not being carried out, contrary to Applicant's argument.

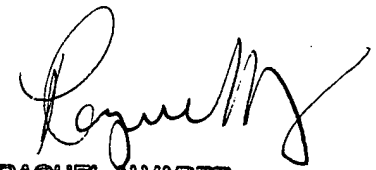
Conclusion

9. Any inquiry concerning this communication or earlier communications from the examiner should be directed to DANIEL LASTRA whose telephone number is 571-272-6720. The examiner can normally be reached on 9:30-6:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, ERIC W STAMBER can be reached on 571-272-6724. The Examiner's Right Fax number is 571-273-6720.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).


Daniel Lastra
June 1, 2005


RAQUEL ALVAREZ
PRIMARY EXAMINER